

Iraq Weekly Status Report

August 31, 2005

**Bureau of Near Eastern Affairs
US Department of State**



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This report provides weekly updates in the seven key areas identified as pillars of US government policy in Iraq.

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Highlights

1.0 Transition to Security Self-Reliance

- On August 24, Iraqi Security Forces (ISF) in Baghdad responded to two separate insurgent attacks on police and civilians. The ISF tracked a group who assaulted a Baghdad police station, as well as another who ambushed police and civilian vehicles with rocket-propelled grenades. The ISF killed three and captured one of the attackers.

2.0 Support a Free and Democratic Iraq

- Iraqi President Jalal Talabani announced a completed draft of a permanent constitution to the Transitional National Assembly (TNA) on August 28, 2005.

3.0 Provide Essential Services

- Al Taakhi newspaper reported that Iraq and Syria have agreed to open flights between the two countries from Baghdad and Mosul Airports. The Transportation Ministry clarified that the flights will start on September 15 and will begin flying three times a week. They added that they agreed passing over Iraqi airspace to service other gulf countries and eastern Asian countries.



Highlights

4.0 Establish Foundation for a Strong Economy

- The board of directors of the Overseas Private Investment Corporation (OPIC) has approved \$150 million in financing for a US trust facility established to support efforts by the Trade Bank of Iraq (TBI) to rebuild the Iraqi economy.

5.0 Promote the Rule of Law

- According to Reuters, the Kurdistan Regional Government (KRG) in Halabja announced that a judge has begun investigating charges against Saddam Hussein and has held talks with Kurdish officials on the 1988 poison gas attack against the village of Halabja.

6.0 Maintain International Engagement and Support

- On August 29, the Mongolian Cabinet approved a fifth rotation of troops to Iraq. The Mongolian troop contingent is expected to depart for Iraq around September 5.

7.0 Promote Strategic Communications

- Ambassador Zalmay Khalilzad, in a statement at the Combined Press Information Center in Baghdad, declared that the Iraqi constitution “provides a vision for the future, one based on democratic values and Iraqi traditions.”



[1.0] Transition to Security Self-Reliance – Iraqi Security Forces

Iraqi Security Forces Update:

- On August 24, Iraqi Security Forces (ISF) in Baghdad responded to two separate insurgent attacks on police and civilians. The ISF tracked a group who assaulted a Baghdad police station, as well as another who ambushed police and civilian vehicles with rocket-propelled grenades. The ISF killed three and captured one of the attackers.
- On August 21, Iraqi Police Service officers on patrol in Baghdad discovered 32 mortar rounds and 20 rockets in two separate incidents.
- On August 17, 35 Iraqi officers and non-commissioned officers graduated from the British Army's Infantry Battle School in Brecon, South Wales. The three-month course trained the Iraqi soldiers to serve as instructors at Iraq's Ar Rustamiyah Military Academy.
- An Iraqi officer cadet at Royal Military Academy Sandhurst has beaten more than 20 other candidates to win the prestigious Overseas Sword for best foreign student.
- The Iraqi Police Service graduated 282 police officers from advanced and specialty courses at the Adnan Training Facility on August 25. The courses consist of Basic Criminal Investigation, Interview and Interrogations, Violent Crime Investigation, Criminal Intelligence, First-Line Supervision, and Election Security.



[1.0] Transition to Security Self-Reliance – Iraqi Security Forces

Data as of August 29, 2005

Ministry of Interior Forces

COMPONENT	TRAINED & EQUIPPED
POLICE	67,100
HIGHWAY PATROL	
OTHER MOI FORCES	34,500
TOTAL	101,600*

Ministry of Defense Forces

COMPONENT	OPERATIONAL
ARMY	81,800
AIR FORCE	200
NAVY	700
TOTAL	82,700**

Total Trained & Equipped ISF:

184,300

* Ministry of Interior Forces: Unauthorized absences personnel are included in these numbers

** Ministry of Defense Forces: Unauthorized absences personnel are not included in these numbers



[2.0] Support a Free and Democratic Iraq – **Developments**

Constitution Update:

- Iraqi President Jalal Talabani announced a completed draft of a permanent constitution to parliament on August 28, 2005.
 - According to Al-Sabah newspaper, the fifteen Sunni members of the Constitution Drafting Committee stated that they agreed with many articles but there were some issues they dispute. They added that these issues will not deter them from working toward their goals in the political process leading to the October 15 referendum.
 - Iraqi President Talabani added that disagreements are part of the democratic process and the Iraqi people will have the final word on the constitution.



[2.0] Support a Free and Democratic Iraq – **Developments**

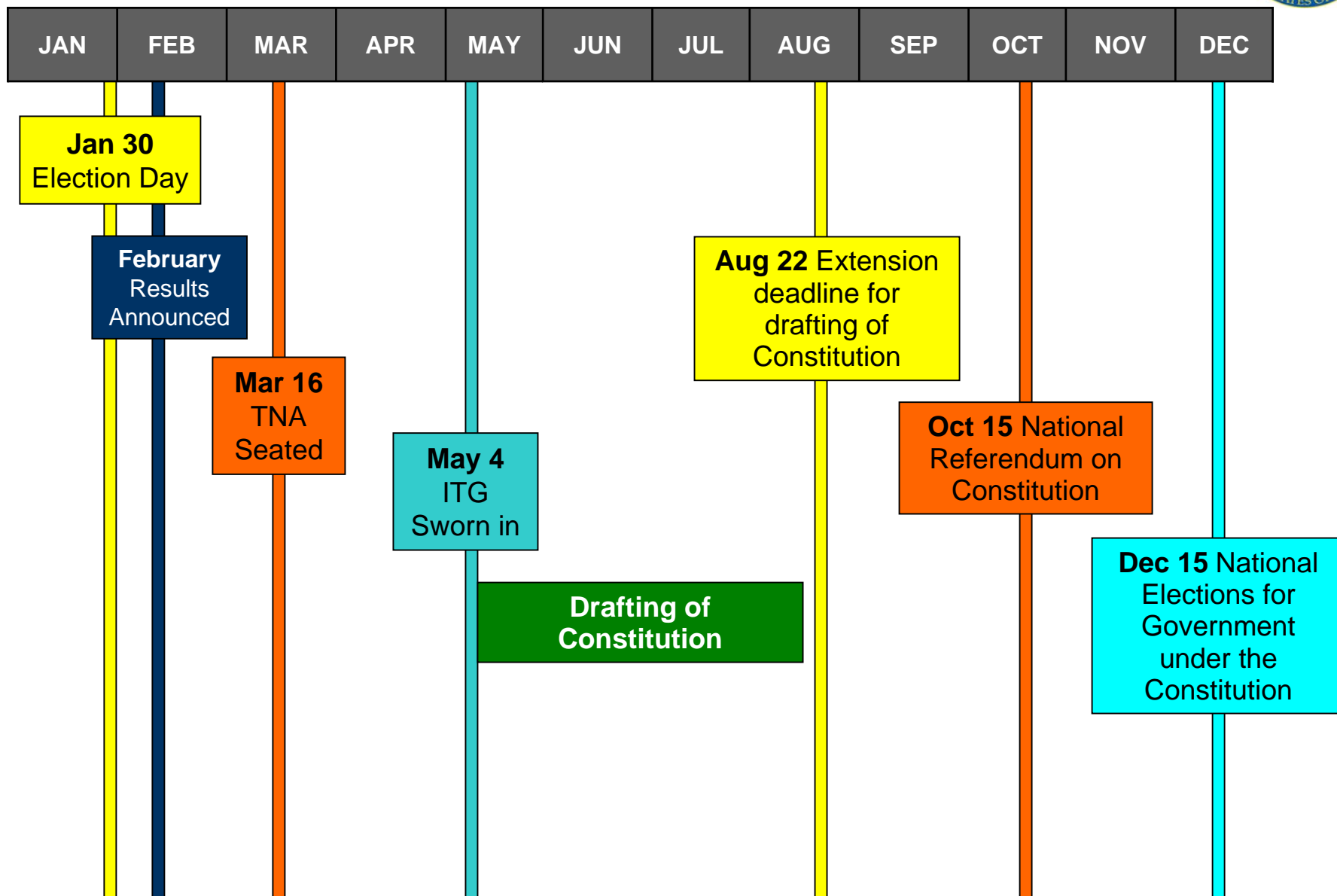
The Continuing Transitional Political Process

Iraq's transitional political process is set down by the Transitional Administrative Law (TAL).

- The Transitional National Assembly (TNA) and Iraqi Transitional Government (ITG) will continue to serve as Iraq's national legislature and executive, respectively, until the election of a new government.
- The draft Constitution will be presented to the Iraqi people for approval in a national referendum by October 15, 2005.
- If the draft constitution is approved in the referendum, a national election for the first government under the constitution are to be held by December 15. If the referendum rejects the draft constitution, a national election for a new TNA is to be held by December 15; this ITG will have the responsibility to write a new draft constitution.



[2.0] Support a Free and Democratic Iraq – Electoral Process Timeline





[2.0] Support a Free and Democratic Iraq - Iraqi Transitional Government

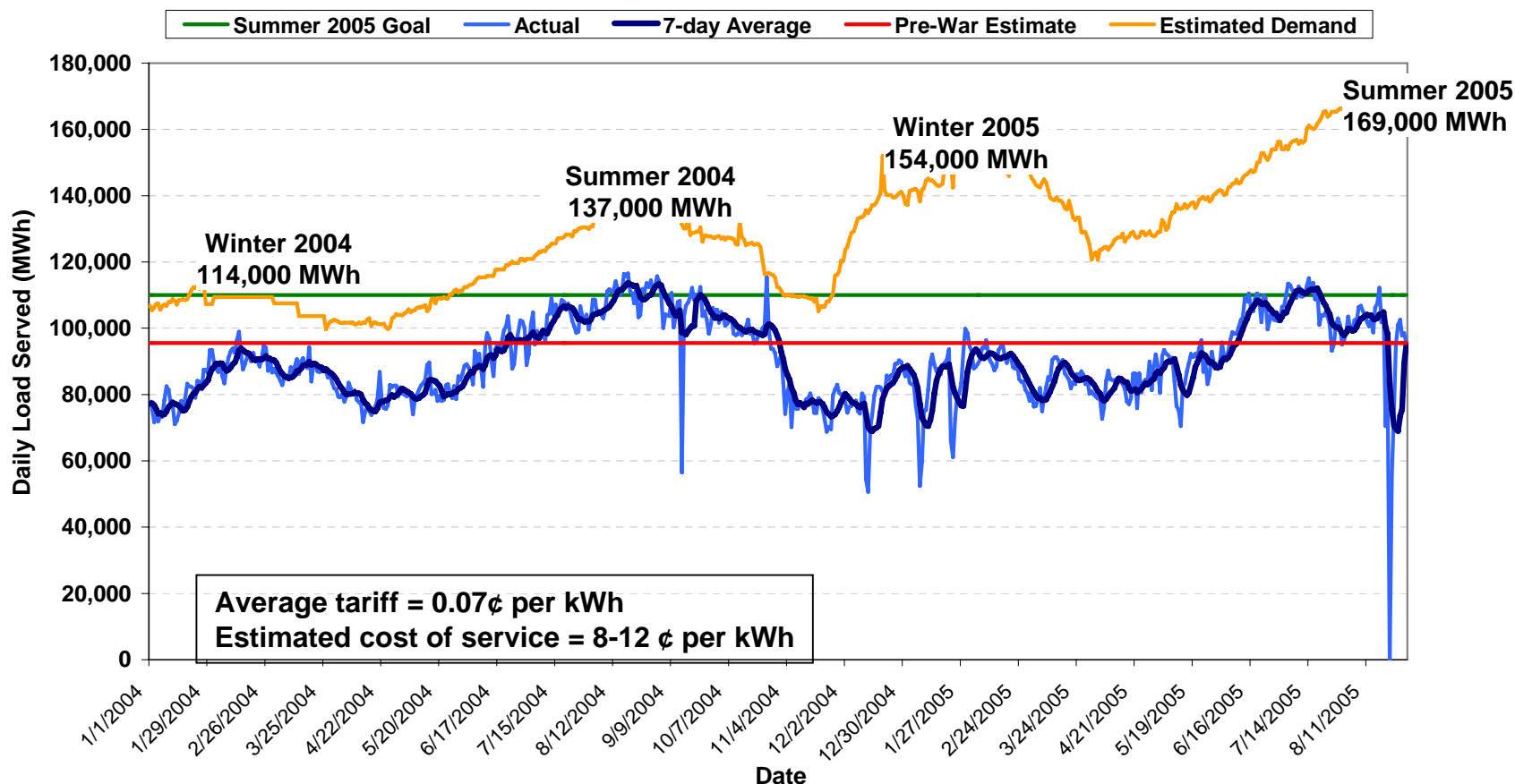
		President Jalal Talabani		Deputy President 'Adil 'Abd al-Mahdi	
Deputy President Sheikh Ghazi al-Yawr		Prime Minister Ibrahim al-Ja'fari			
Deputy Prime Minister Rawsh Shaways	Deputy Prime Minister 'Abd Mutlak al-Juburi			Deputy Prime Minister Ahmad al-Chalabi	Deputy Prime Minister Vacant
Minister of Agriculture Ali al-Bahadili	Minister of Communications Juwan Fu'ad Ma'sum (F)	Minister of Culture Nuri al-Rawi	Minister of Defense Sa'dun al-Dulaymi	Minister of Displacement & Migration Suhayla al-Kinani (F)	Minister of Electricity Muhsin Shallash
Minister of Education Abdul Mun'im al-Falah Hasan	Minister of Environment Narmin 'Uthman (F)	Minister of Finance 'Ali 'Allawi	Minister of Foreign Affairs Hoshyar Zebari	Minister of Health Abd al-Muttalib al-Rubay'i	Minister of Higher Education Sami al-Muzaffar
Minister of Human Rights Acting, Narmin Uthman (F)	Minister of Industry & Minerals Usama al-Najafi	Minister of Interior Bayan Jabr	Minister of Justice 'Abd al-Husayn Shandal	Minister of Housing & Construction Jasim Ja'far	Minister of Labor & Social Affairs Idris Hadi
Minister of Oil Ibrahim Bahr al-'Ulum	Minister of Planning Barham Salih	Minister of Trade 'Abd al-Basit Mawlud	Minister of Science & Technology Basima Butrus (F)	Minister of Municipalities & Public Works Nasreen Berwari (F)	Minister of Transportation Salam al-Maliki
Minister of Water Resources 'Abd al-Latif Rashid	Minister of Youth & Sports Talib Aziz al-Zaini	Minister of State for Civil Society 'Ala' abib Kazim	Minister of State for National Assembly Affairs Safa' al-Din al-Safi	Minister of State for National Security Affairs 'Abd al-Karim al-'Anzi	
		Minister of State for Provinces Sa'd al-Hardan	Minister of State for Tourism and Antiquities Hashim al-Hashimi	Minister of State for Women's Affairs Azhar al-Shaykhli (F)	

(F) = Female



[3.0] Provide Essential Services – Electricity Overview

Daily Electricity Supplied and Estimated Demand in Iraq Since January 2004



- Daily electricity supplies recovered from the nationwide blackout on August 22 to average 98,000 MWh.
- Baghdad averaged 8 hours of available power per day. National average was 12 hours per day.
- Demand has decreased with slight reduction in temperatures.



[3.0] Provide Essential Services – **Water and Sanitation**

Water and Sanitation:

- Construction of the Erbil-Ifraz Water Supply Project is now 50 percent complete. The project is expected to be completed in March 2006 and will provide 330,000 residents with potable water.
- The Project and Contracting Office (PCO) has completed 79 water treatment projects to date and has 77 more underway. Under the Accelerated Iraq Reconstruction Program (AIRP), 49 water treatment projects have been completed there are a further 6 under construction.
 - The majority of these projects are awarded directly to local contractors and local water authorities.
- The Basra Sweetwater Canal system, also known as Um Qasr, is undergoing a \$2 million upgrade this week through the purchase of electrical equipment including breakers, a mobile substation, switchgear, and wire and towers to provide permanent power to Pump Station Two. All materials are scheduled for full delivery by May 2006.
 - The US Army Corps of Engineers estimates two million Iraqi citizens in Basra and the surrounding area will have a constant and reliable source of water when the Basra Sweetwater Canal system upgrade is complete.



[3.0] Provide Essential Services – Health Care and Telecommunications

Health Care:

- Construction is ongoing for 142 new primary health care (PHC) facilities across Iraq. Under the AIRP program, an additional two PHCs are under construction and nine have been completed.
- The Health Attaché's office is preparing a set of national targets and indicators for the Iraqi healthcare system. These draft indicators will be presented to the Donor Working Group for the establishment of measurements to monitor the impact of donor assistance on the health sector.
- Phase 3 construction of the Najaf Teaching Hospital has begun. Phases 1 and 2 of the hospital reconstruction primarily consisted of restoring essential services and renovating the ground floor outpatient clinics. Phase 3 includes the renovations of the rest of the hospital and is estimated for completion by August 17, 2006. The Ministry of Health is arranging for the repair of the hospital's MRI and CAT scan machines. Recently two USG contractors visited the hospital to conduct an assessment of the equipment, and the results will be provided to the engineering staff for review.

Telecommunications:

- As of August 24, there were 3,186,905 active cellular subscribers in Iraq. Landline telephone subscribers in Iraq have also increased to 997,675. Prior to Operation Iraqi Freedom, there were approximately 833,000 landline subscribers and no mobile phone subscribers.



[3.0] Provide Essential Services – Education

Education:

- A total of 3,278 schools have been rehabilitated, and a further 817 are undergoing rehabilitation.
- PCO has completed 672 schools renovations and a further 99 are under construction. Under the AIRP program, an additional 24 school renovations have been completed.
- With assistance from the USAID Economic Governance program, the Basic Education program presented a capacity building training program for 59 Ministry of Education (MOE) finance managers, including the Directors General of Finance from the MOE and the Kurdistan Regional Government's MOE; the MOE's Directors of Finance, Budget and Accounting; and Assistant Directors from the Central and Governorate MOEs.
 - Lecture topics included public finance, team leadership and management, performance measures, strategic planning, fiscal management, centralization versus decentralization of authority, Education Information Management and transparency. A key initiative of the Basic Education program is to improve MOE management and administrative processes.



[4.0] Establish Foundation for a Strong Economy – Oil Update and Job Creation

Oil Update:

- Crude oil prices in world markets for the week ending August 26 closed with the following prices:
 - Basra Light at \$58.38/barrel
 - Dated Brent at \$65.64/barrel
 - WTI Cushing at \$66.25/barrel
 - Oman/Dubai at \$57.20/barrel
 - Kirkuk Crude at \$57.66/barrel

Employment Update:

- The following chart shows the number of Iraqis employed by USG-administered projects:

Employing Organization	Number of Iraqis Working Last Week	Number of Iraqis Working This Week	% Change on Week
PCO (Project and Contracting Office)	32,060	31,214	-2.6%
USAID	35,160	34,598	-1.6%
AIRP (Accelerated Iraqi Reconstruction Program)	2,040	2,040	0.0%
MILCON (Military Construction)	378	435	15.1%
CERP* (Commanders' Emergency Response Program)	23,706	23,706	0.0%
MNSTC-I	20,027	17,327	-13.5%
IRRF NON-CONSTRUCTION	11,357	8,947	-21.2%
GRAND TOTAL	124,728	118,267	-5.2%

*CERP numbers are from the latest GRD Situation Report



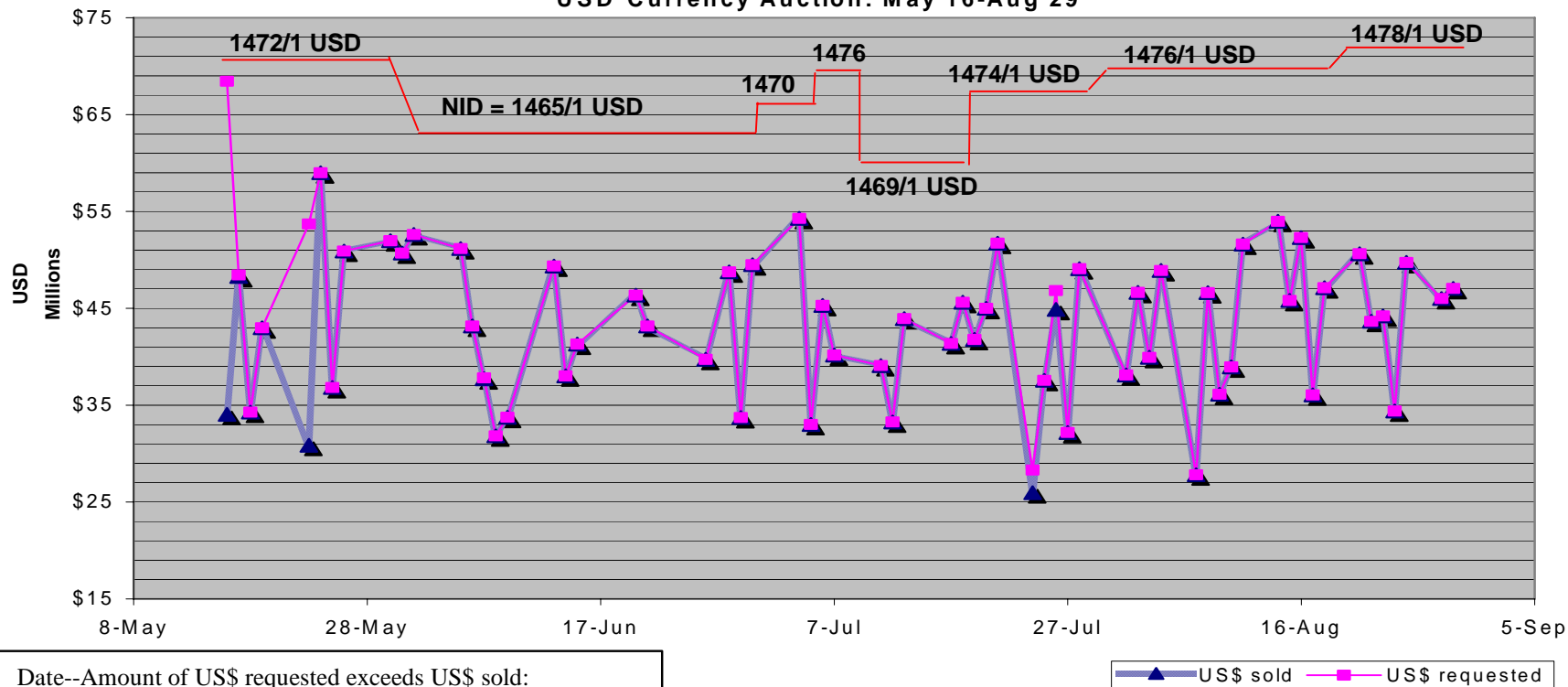
[4.0] Establish Foundation for a Strong Economy - Banking Sector

Central Bank's USD Currency Auction:

- The following table shows volume sold/requested and exchange rates for USD in the Iraqi currency auction from May 16 through August 29.
- The settlement price at the currency auction on August 29 was 1,478 dinars per USD. Total amount requested and sold was \$47.050 million.

Central Bank of Iraq

USD Currency Auction: May 16-Aug 29



Date--Amount of US\$ requested exceeds US\$ sold:

5/5- \$240,000	5/12- \$100,000	6/7- \$100,000
5/9- \$340,000	5/16- \$34,388,000	7/24- \$2,325,000
5/10- \$530,000	5/17- \$160,000	7/26- \$1,935,000
5/11- \$200,000	5/23- \$22,836,000	



[4.0] Establish Foundation for a Strong Economy

Iraqi Stock Exchange (ISX):

- On August 29, the ISX trading volume was 1.023 billion shares with a trading value of NID 8.4 billion (\$5,683,356).
 - The banking sector comprised the largest volume and value of trading, with trading in shares of six banks accounting for a trading volume of 847,609,134 shares and trading value of NID 7.55 billion (\$440,493). This is about 8 times the amount of normal trading. Warka'a Investment Bank, a small private Iraqi bank, accounted for NID 6.488 billion of the total trading.
 - The industry sector comprised the second largest volume of trading. Sixteen companies in this sector accounted for a trading volume of 131.4 million shares with a trading volume of NID 566.4 million (\$383,211).

Financial Management Information System (FMIS) Online:

- FMIS is an automated networked accounting and budget execution system, allowing online access and a real-time centralized database for all Iraqi spending agencies.
- The FMIS is online, with 41 of the 54 units in the Ministry of Finance able to access the system. Already, 35 agencies have used the system to enter previous expense and revenue data, and have reconciled these with the Certified Trail Balances.
- Recommendations have already been developed for expanding the system to all remaining 128 spending agencies in the Ministry of Finance by the end of the year.



[4.0] Establish Foundation for a Strong Economy

Romania cancels 80 percent of Iraqi-Owed Debt:

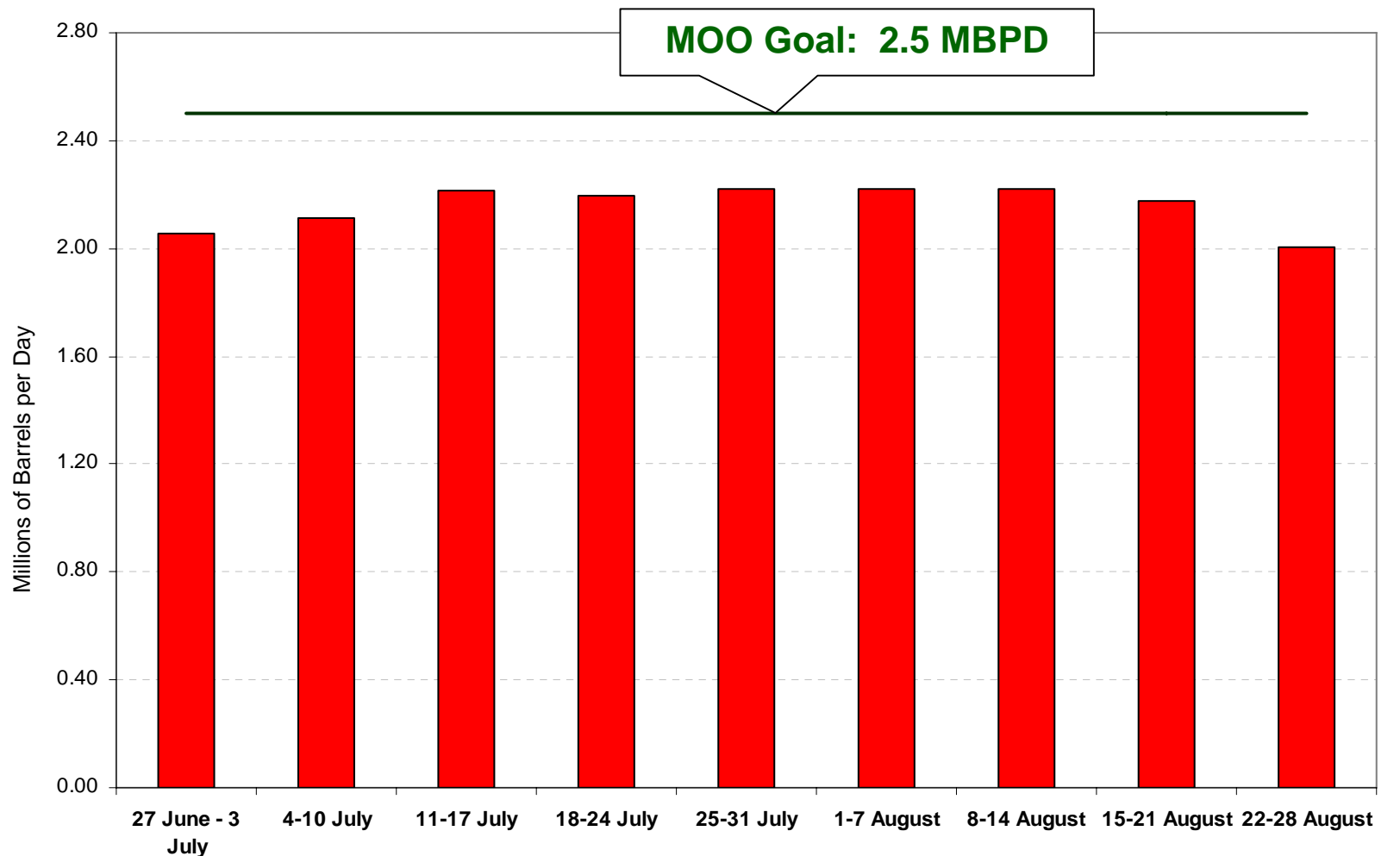
- On August 25, Iraq signed a bilateral agreement with Romania canceling approximately \$2 billion, amounting to 80 percent of Romanian claims against Iraq. Prior to this agreement, the claims of the Romanian government against Iraq totaled approximately \$2.5 billion. When fully phased in, the agreement will reduce the debt stock to approximately \$500 million.
- The accord is comparable to the agreement in principle concluded in November 2004 between Iraq and the governmental creditors comprising the Paris Club, which together hold a plurality of the total outstanding claims against Iraq.
- The Romanian accord is the first to be signed with Iraq's non-Paris Club bilateral creditors. The first agreement with a Paris Club creditor was signed in December of last year.

OPIC Approves \$150 million in support to the TBI:

- The board of directors of the Overseas Private Investment Corporation (OPIC) has approved \$150 million in financing for a US trust facility established to support efforts by the Trade Bank of Iraq (TBI) to rebuild the Iraqi economy.
- OPIC's financing, which includes an initial \$70 million financing transaction will guarantee financing by TBI to foreign exporters involved in reconstruction projects. By supporting the bank's reimbursement obligations, the trust will facilitate the provision of goods and services vital to Iraq's reconstruction after decades of international isolation.



[4.0] Establish Foundations for a Strong Economy – Crude Oil Production

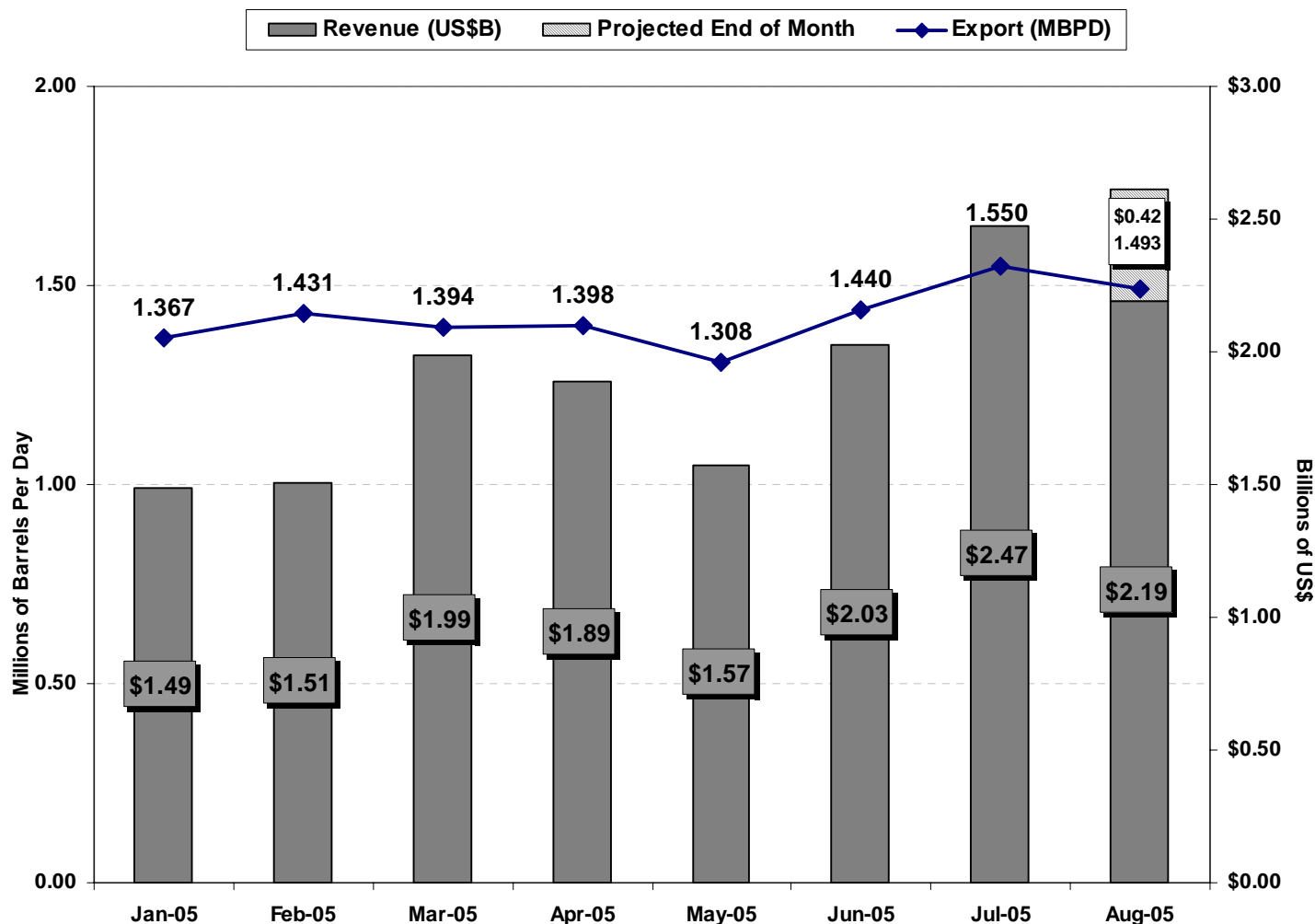


- Weekly Average (August 22-28) of 2.06 Millions of Barrels per Day (MBPD) due to August 22 electricity blackout
- Pre-War Peak: 2.5 MBPD in Mar 2003
- Post-War Peak: 2.67 MBPD

■ Production — Target



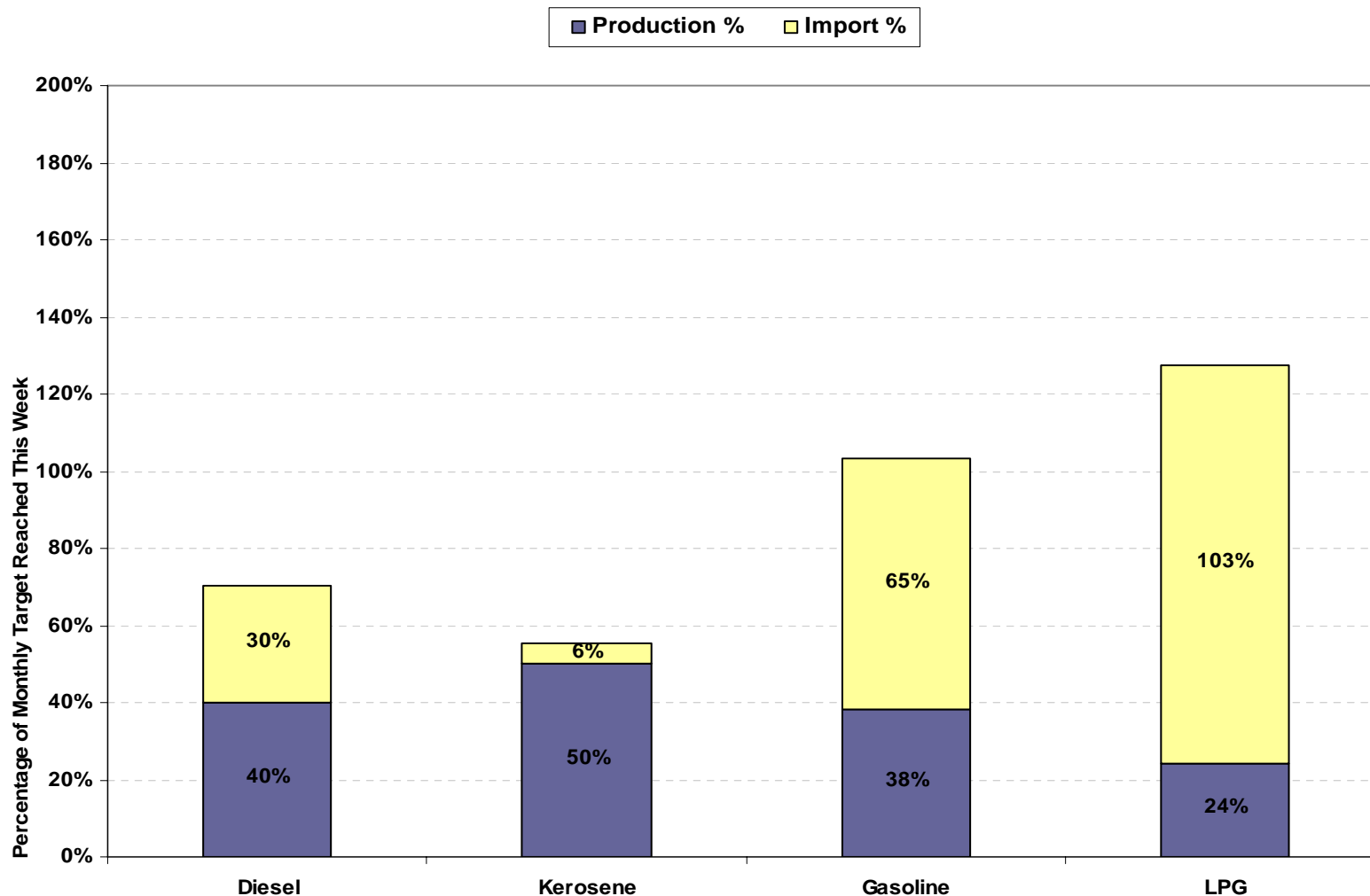
[4.0] Establish Foundations for a Strong Economy – Crude Oil Export



- 2003 Revenue: \$5,076.6 Million
- 2004 Revenue: \$17,012.3 Million
- 2005 Revenue: \$15,137 Million (cumulative for 2005)



[4.0] Establish Foundations for a Strong Economy – Refined Products

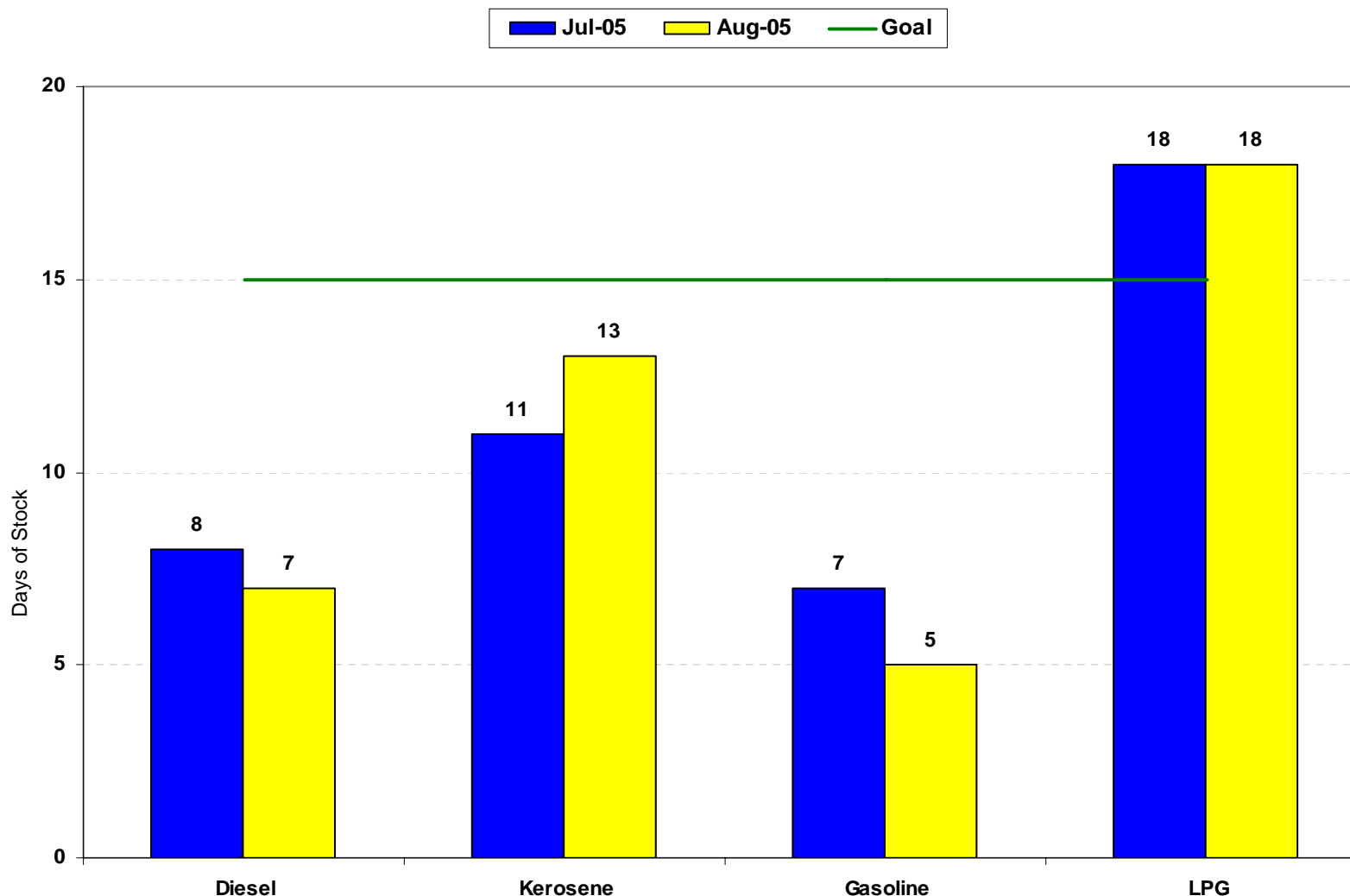


Note: This chart represents the average percentage of daily target reached for the week of August 22-28

- Diesel: 12.6 ML of 18 Millions of Liters (ML)
- Gasoline: 18.6 ML of 18 ML
- Kerosene: 3.8 ML of 5.4 ML
- LPG: 5,475 tons of 4,300 tons



[4.0] Establish Foundations for a Strong Economy – National Stock Levels



- The goal is for all refined products to be over 15 days worth of stocks at maximum consumption rates and does not represent seasonal change. The numbers given above are monthly averages.



[4.0] Establish Foundation for a Strong Economy – Financials from Iraq Relief and Reconstruction Fund (IRRF) 1 and IRRF 2

Data as of August 31, 2005

\$Millions	Apportioned		Committed			Obligated			Disbursed		
Sector	2207 Report	Apportion	Last Week	Current	Change	Last Week	Current	Change	Last Week	Current	Change
Security and Law Enforcement	5018	5,017.6	4,952.5	4,960.6	8.05	4,583.1	4,605.3	22.17	3,344.7	3,408.2	63.5
Electricity Sector	4318	4,067.2	3,824.4	3,886.2	61.75	2,638.8	2,654.1	15.32	1,471.4	1,507.3	35.9
Oil Infrastructure	1723	1,723.0	1,656.0	1,652.2	(3.79)	1,216.6	1,217.1	0.53	466.3	471.6	5.3
Justice, Public Safety and Civil Society	1247	1,247.2	1,147.9	1,151.9	3.97	1,014.4	1,018.4	3.99	480.2	492.7	12.5
Democracy	941	942.3	889.5	889.8	0.26	867.9	868.3	0.38	524.5	529.0	4.5
Education, Refugees, Human Rights, Governance	363	363.0	332.5	332.7	0.15	317.3	317.4	0.07	135.5	135.7	0.2
Roads, Bridges and Construction	334	333.7	331.8	274.6	(57.25)	209.0	208.6	(0.41)	129.5	131.8	2.3
Health Care	786	786.0	778.5	778.6	0.05	589.2	589.2	0.01	188.7	191.4	2.7
Transportation and Communications	509	508.5	496.1	496.0	(0.06)	394.6	394.2	(0.45)	146.9	153.0	6.1
Water Resources and Sanitation	2147	1,819.1	1,809.7	1,811.9	2.18	1,488.8	1,488.5	(0.29)	323.0	340.8	17.8
Private Sector Development	840	840.3	837.9	838.0	0.07	818.3	818.6	0.27	486.0	494.0	8.0
Admin Expense (USAID, STATE)	214	214.0	89.0	89.2	0.20	89.0	89.2	0.20	48.8	51.3	2.5
TOTAL	18439	17,861.9	17,145.8	17,161.4	15.60	14,227.0	14,268.8	41.80	7,745.5	7,906.7	161.2
IRRF 2 Construction		10,309.9	10,073.6	10,108.3	34.70	7,677.4	7,757.1	79.71	3,558.2	3,753.3	195.1
IRRF 2 Non-Construction		6,526.7	6,163.2	6,165.1	1.90	5,608.3	5,645.2	36.94	3,491.7	3,624.6	132.9
IRRF 2 Democracy		942.3	888.5	889.8	1.27	867.5	868.3	0.77	500.5	529.0	28.5
IRRF 1 Subtotal	2473	2,473.3	2,473.3	2,473.3	0.00	2,473.3	2,473.3	0.00	2,406.6	2,406.6	0.0
Grand Total IRRF 1 & 2	20912	20,335.2	19,619.1	19,634.7	15.60	16,700.3	16,742.1	41.80	10,152.1	10,313.3	161.2



[5.0] Promote the Rule of Law – Iraqi Judicial System

Investigation Continues into 1988 WMD attack on Kurdish Village

- According to Reuters, the Kurdistan Regional Government (KRG) in Halabja announced that a judge has begun investigating charges against Saddam Hussein and has held talks with Kurdish officials on the 1988 poison gas attack against the village of Halabja. "The aim of this visit was to inspect and collect information regarding the use of weapons of mass destruction against the city of Halabja," the KRG said in a brief statement.

Another execution due in Iraq as new death sentence passed

- An Iraqi man convicted of murder was sentenced to death on Wednesday in Iraq's fourth scheduled execution since authorities reinstated capital punishment, banned since the 2003 US-led invasion. Abed Saleh al-Issawi, a 24-year-old restaurant employee, was accused of assassinating two policemen and a finance ministry driver in January on the road from Baghdad to the southern town of Kut, judge Jaafar al-Ussi told AFP. Issawi, a suspected member of a militant group called Abu Abdullah, earned 100 dollars for the killings, according to the court in Kut, a Shiite town 175 kilometres (110 miles) from Baghdad.



[6.0] Maintain Int'l Engagement & Support – **Developments**

International Support:

- On August 29, the Mongolian Cabinet approved a fifth rotation of troops to Iraq. The Mongolian troop contingent is expected to depart for Iraq around September 5.
- In a UN statement on August 28, the UN Secretary-General Kofi Annan said that he “welcomed the completion of the new draft constitution of Iraq, which has been the result of an Iraqi-led and Iraqi-owned process.” He also welcomed “the earnest efforts made by all Iraqi political entities under the difficult circumstances in which this process took place.”
- Over the past few weeks, a USAID supported International Advisory Group of 40 constitutional and legal experts worked with members of the Constitutional Committee. Visiting experts met with the Committee to offer technical advice and produce papers, upon request, on federalism, reconstruction and economic development, and options regarding outstanding issues of disagreement. Other experts offered on-line advice on the constitutional drafting process.



[6.0] Maintain Int'l Engagement & Support – Contributors to Iraqi Stability Operations

Data as of August 24, 2005

28 Multi-National Forces – Iraq (MNF-I) Contributors (in addition to US)

Albania	Denmark	Latvia	Portugal
Armenia	El Salvador	Lithuania	Romania
Australia	Estonia	Macedonia	Singapore
Azerbaijan	Georgia	Moldova	Slovakia
Bosnia-Herzegovina	Italy	Mongolia	South Korea
Bulgaria	Japan	Norway	Ukraine
Czech Republic	Kazakhstan	Poland	UK

TOTAL ~ 23,000 Forces

*Note: Fiji participating as a part of the UN mission in Iraq.

29 Countries and NATO
(including US)
Support Iraqi Stability Operations



[7.0] Promote Strategic Communications – **Developments**

Strategic Communications:

- The USAID Constitutional Dialogue program launched in early July has reached 93,494 Iraqis through some 3,610 dialogues. The program will now transition to the Constitutional Education Program that will ensure Iraqis are aware of the content of the document and the meaning of key legal concepts and issues prior to the national referendum. Particular attention will be paid to Sunni areas where fewer Iraqis participated in the January 2005 elections.
- A city council in northern Iraq renovated a local radio station through USAID's Iraq Transition Initiative (ITI) support. The city council, in partnership with the U.S. military, identified the establishment of local media as a priority and chose a building site. ITI enabled the development of a local media outlet, an important part of the democratization process and an effective tool for disseminating public information and managing public safety. The initial broadcast range of this radio station reaches 100,000 residents.
- Iraqi newspapers trumpeted the completion of a first post-Saddam Hussein constitution after weeks of negotiations but expressed concern Monday that Sunni Arab opposition might still lead to defeat in an October referendum. "Iraqis deserve to celebrate," said the independent daily Al-Sabah al-Jadid. Another independent daily, Al-Iraq, was more pessimistic, warning the whole painstaking process could yet be thrown back to square one by a Sunni no vote.



[7.0] Promote Strategic Communications – **Developments**

Strategic Communications:

- In a public statement, the United Kingdom, as Presidency of the EU, welcomed the publication of Iraq's constitution and congratulated the Iraqi people on reaching this important milestone in the political process. "The EU will continue to offer its full support to the Iraqi people, including assisting in the run-up to October's referendum and the national elections in December."
- Ambassador Zalmay Khalilzad, in a statement at the Combined Press Information Center in Baghdad, declared that the Iraqi constitution "provides a vision for the future, one based on democratic values and Iraqi traditions." He encouraged Iraqis from all communities to review the draft. "There have been much misinformation and disinformation about its content. Iraqis should read it, debate it and decide for themselves how to vote on October 15th. This draft constitution is a living document. It's designed to address Iraq's present political circumstances and is based on the present configuration of political forces. It can and must evolve to address changing circumstances and new challenges in the future."



Iraq Weekly Status – General Information

- This brief draws from multiple sources. References are cited on the respective pages in the “Notes Page” section (View → Notes Page).
- Please forward all questions and/or comments to NEA-I-IPOG-DL@state.gov



Notes and Source Citations (1 of 5)

Slide 5:

- MNSTC-I "The Advisor", **August 27, 2005**

Slide 6:

- DoD Input to Iraq Weekly Status Report, August 24

Slide 7:

- Azzaman Daily Newspaper and Al Sabah Daily Newspaper, 8/29/05

Slide 8:

- Transitional Administrative Law for Iraq

Slide 11

- POC Matthew Amitrano (202)647-5690

Slide 12:

- Information regarding PCO water projects was sourced from the PCO Input Report – August 29, 2005
- Information regarding the Sweetwater Canal upgrade was sourced from www.portaliraq.com

Slide 13:

- Information regarding the construction of PHCs and hospitals was sourced from the PCO Input Report, August 29, 2005.
- Information regarding the national targets was sourced from the Embassy Baghdad – Essential Services Report Summary– August 28, 2005.
- Information the number of landline and cell phone subscribers was sourced from the Embassy Baghdad Essential Services Report – August 22, 2005.



Notes and Source Citations (2 of 5)

Slide 14:

- Information regarding the PCO completion of schools was sourced from the PCO Input Report – August 29, 2005
- Information regarding the Basic Education Program was sourced from www.portaliraq.com

Slide 15:

- Information regarding the IRMO microfinance program was sourced from the Embassy Baghdad Economics Report – August 8, 2005.
- Information regarding the Employment Update was sourced from the IRMO Weekly Report – July 27, 2005

Slide 16:

- Information regarding NID and T-Bill auctions were gathered from the Central Bank of Iraq's website: <http://www.cbiraq.org>.
- Information regarding the CBI announcement was sourced from the CBI Announcement 446 – May 16, 2005.

Slide 17:

- Information regarding the ISX was sourced from www.isx-iq.net
- Information regarding the FMIS was sourced from www.portaliraq.com

Slide 18:

- Information regarding Romania's debt cancellation and OPIC's \$150 million financing was sourced from www.menafn.com



Notes and Source Citations (3 of 5)

Slide 19:

- POC Matthew Amitrano, (202) 647-5690
- Iraq Petroleum Sector Facts
- There are three main refineries in Iraq: Bayji (North), Daura (Baghdad), and Basra (South).
- There are several minor refineries (known as topping plants) dotted through the country: Kisik (Mosul), Qarrayah, Haditha, Tikrit, Nassiriyah, Maysan (Amarah). These primarily produce asphalt and low grade kerosene and diesel.
- The majority of Iraq's oil infrastructure is antiquated and in need of modernization.
- Domestically produced refined products (gasoline/benzene, diesel, kerosene, LPG) currently do not meet domestic demand because of sabotage to the pipeline infrastructure. Iraq will be dependent upon imports until the insurgents cease operations against oil pipelines.

Slide 20:

- For the 2004 revenue, this already deducts the 5% war reparations to Kuwait. If included in revenue, the total would be \$17.5B.
- June 2005 increased once Northern Export data was processed into the calculation.
- **Al-Faw Terminals: Al-Basra Oil Terminal (ABOT) and Khor al-Amaya Oil Terminal (KAOT)**
 - **Iraq-Turkey Pipeline (IT)** works intermittently since the Iraqis sell the crude oil in lumps.
 - **Iraq-Syria-Lebanon Pipeline (ISLP)** has been closed since 2003.
 - Discussions were held between Iraqi and Syrian government officials, but no timetable has been set up to reopen this line.
 - In the meantime, Iraq has set up a barter arrangement in which it exports 14KBPD from the Ayn Zalah field to Syria for refined products and electrical production. This ended in August 2004.
 - **Iraq Pipeline through Saudi Arabia (IPSA)** has been closed since 1991. There are no plans to reopen this line



Notes and Source Citations (cont. 4 of 5)

Slide 21:

- POC Matthew Amitrano, (202) 647-5690
- Goals set by the State Oil Marketing Organization (SOMO), a company owned by the Ministry of Oil (MOO). Slide 22:
 - Financial Status Chart taken from the IRMO Weekly Update

Slide 22:

- POC Matthew Amitrano, (202) 647-5690

Slide 23:

- Financial Status Chart taken from the IRMO Weekly Update

Slide 24:

- <http://abcnews.go.com/International/wireStory?id=1076860>
- <http://www.uniraq.org/newsroom/press3.asp>

Slide 25:

- IIC – August 29, 2005 *Mongolia Approves Fifth Iraq Rotation*
- UN Press Statement – August 28, 2005 *Statement Attributable to the Spokesman for the Secretary-General on the Constitution-making Process in Iraq*
- USAID IRAQ RECONSTRUCTION WEEKLY UPDATE – August 25, 2005 *HIGHLIGHTS THIS WEEK*

Slide 26:

- DoD Weekly Input to Iraq Weekly Status Report



Notes and Source Citations (cont. 5 of 5)

Slide 27:

- USAID Weekly Report, August 25, 2005
- **Agence France Presse, Iraq Press Hails Charter but worries about Sunni rejection”, August 29**

Slide 28:

- EU PRESIDENCY STATEMENT WELCOMING THE PUBLICATION OF IRAQ’S CONSTITUTION, **August 28**
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- BRIEFING BY ZALMAY KHALILZAD, U.S. AMBASSADOR TO IRAQ, “THE IRAQI CONSTITUTION,” THE COMBINED PRESS INFORMATION CENTER, BAGHDAD, IRAQ SUNDAY, AUGUST 28, 2005